



The Archaeological Organisations Pension Scheme

Summary Funding Statement at 5 April 2024

This Statement gives you an update on the estimated financial position of the Archaeological Organisations Pension Scheme (the Scheme).

The Scheme is a Defined Benefit scheme. This means that it gives you an income for life.

The Trustee use the Scheme's assets to pay pensions to Scheme members, including, when they become due, to those members who have not yet retired. The Scheme's assets are held separately from the Employer (Heneb: The Trust for Welsh Archaeology). Assets can only be returned to the Employer if their value is more than is needed to arrange for an insurance company to pay all members' benefits. No such payment to the Employer has been made.

Your Scheme is looked after by

The Trustee

Ross Trustees Services Limited, trading as Independent Governance Group, Chaired by Mr S. Travers

Mrs JE Britnell (resigned in 2024)

Mr CN Maylan (resigned in 2024)

Mrs J Holland (resigned in 2024)

The Trustee is supported by

The Scheme Administrator

✉ First Actuarial LLP
Fosse House,
182 High Street,
Tonbridge,
Kent, TN9 1BE

@ clair.beattie@firstactuarial.co.uk

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The Scheme Actuary

Marcos Abreu FIA
First Actuarial LLP

The Scheme Auditor

Assure UK

Its Legal Advisers

Burges Salmon LLP

The Investment Managers

Mobius Life

The Scheme's funding position

- **Assets – £11,880,000**
- **Money needed to pay benefits – £14,857,000**
- **Shortfall – £2,977,000**
- **Funding level – 80%**

The above shows the Scheme's funding position at 5 April 2024, the date of the latest Actuarial Valuation.

Since the last Valuation (at 5 April 2021), the position has improved, and the shortfall has decreased. The main reasons for this decrease are changes in market conditions, and changes in the assumptions made to calculate the Scheme's liabilities. These have resulted in a lower value being placed on the money needed to pay members' benefits (the Technical Provisions).

The Scheme's finances

Working out the value of the Technical Provisions – how much money we need to pay all the members' pensions – is not an exact science. It depends on several things, including inflation, investment returns and how long it's assumed Scheme members are likely to live.

A Valuation is carried out every three years. As part of this Valuation, we calculate whether the Scheme's assets are worth more than the Technical Provisions. If that's not the case, then the Trustee and Employer will agree what action needs to be taken.

At 5 April 2024, the Scheme was in shortfall – its assets were valued at less than the Technical Provisions.

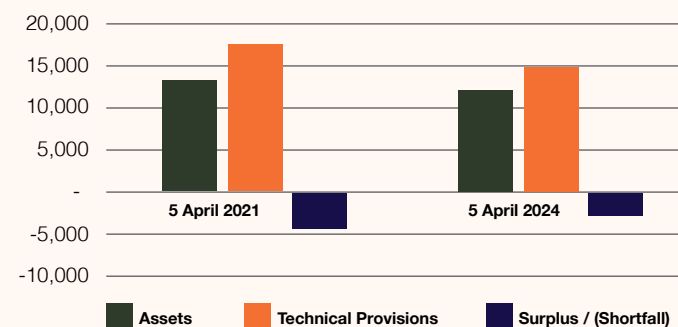
Changes over the past three years in the value of the Scheme's assets and the money needed to pay benefits is shown opposite.

The improvement was partly offset by the impact of changes to member benefits due to the legal review of past rule amendments.

When the money needed to pay benefits is greater than the assets held, the Employer and Trustee must agree a plan to safeguard members' pensions by making sure the assets catch up.

The Employer agreed to pay £320,000 each year towards the shortfall and the running costs of the Scheme. The payments are due until 31 May 2037 and will be reviewed every three years.

Funding position (£'000s)

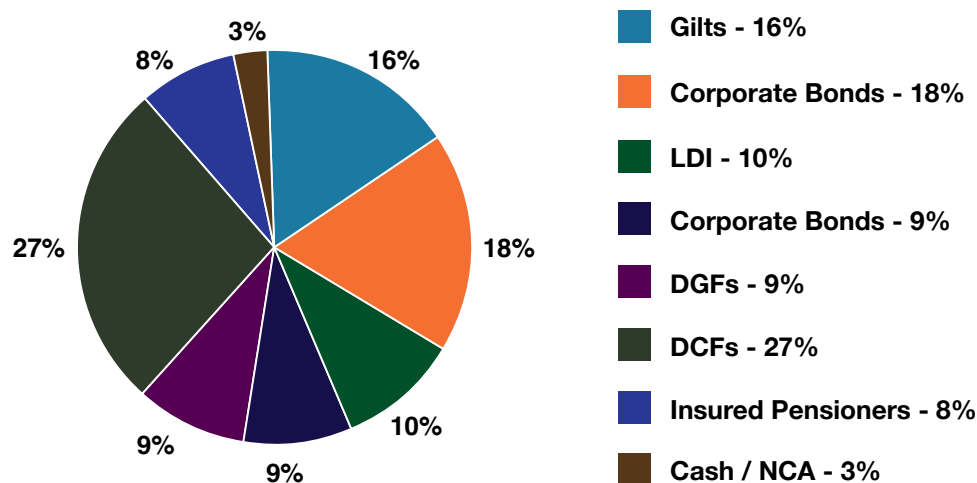


The 2024 Valuation showed that the assets of the Scheme are less than the amount needed to pay all benefits to members. This is not unusual. The next Valuation will start at 5 April 2027. This may take up to 15 months to complete.

The Scheme's assets

The Trustee have an investment strategy in place. This makes the most of the Scheme's assets by holding a mix of investments as follows:

Asset split by category



Winding up the Scheme – The buy-out position

We are required to set out in this document the buy-out position. This is what would happen should the Employer want to let go of its responsibility for, or is unable to financially support, the Scheme causing it to be wound up. This would mean that the Employer would have to pay a one-off contribution to the Scheme if the value of the Scheme's assets were insufficient to cover the cost of getting an insurance company to take on the responsibility of paying all the Scheme benefits. If this had happened at 5 April 2024, the contribution required from the Employer would have been an estimated £5,500,000.

The Pensions Regulator looks after work-based pension schemes and has certain powers it can use if it has concerns about a scheme. It has not used any of these powers in relation to this Scheme.

Additional protection

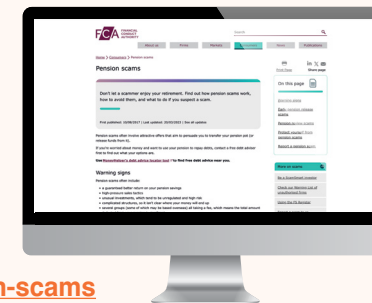
If an employer becomes insolvent, the Pension Protection Fund can pay compensation to members in certain circumstances. Further details are available at: ppf.co.uk/our-members

If you are thinking of leaving the Scheme for any reason, you should consult a professional adviser, such as an Independent Financial Adviser, before taking action.

Attempted pension scams are on the rise.

Protect yourself by staying informed. You can find lots of information on the Financial Conduct Authority (FCA) website:

fca.org.uk/scamsmart/how-avoid-pension-scams



Further information

If you are yet to start receiving your pension and we have not sent you an estimate of your pension at retirement in the last 12 months, you can ask the Scheme Administrator for one.



Please help us by making sure we have your correct contact details.

If your address has changed or if you need any further information or help, please write to the Scheme Administrator or give them a call. [Contact details can be found on page 2.](#)